



## 2009 ASSEMBLY BILL 68

February 17, 2009 - Introduced by Representatives DEXTER, SHERMAN, BARCA, BERCEAU and SMITH, cosponsored by Senators VINEHOUT, JAUCH and KREITLOW. Referred to Committee on Ways and Means.

1     **AN ACT to amend** 79.10 (2) (a), 79.10 (2) (b), 79.10 (7m) (c) 1., 79.10 (7m) (c) 2.,  
2             79.10 (7m) (cm) 1. a., 79.10 (7m) (cm) 1. b., 79.10 (7m) (cm) 2. a. and 79.10 (7m)  
3             (cm) 2. b. of the statutes; **relating to:** the distribution of the first dollar property  
4             tax credit.

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### *Analysis by the Legislative Reference Bureau*

Under current law, the total amount of the school levy and lottery and gaming property tax credits is distributed to counties. The counties then distribute the amounts that they receive to the municipalities located in the counties. A municipality, however, may receive its share of the school levy and lottery and gaming credits directly from the state if the total amount of such credits due to the municipality is at least \$3,000,000 or if the municipality allows the payment of property taxes in three or more installments. Under current law, the total amount of the first dollar property tax credit is distributed to the municipalities. The first dollar credit is applied to every parcel of real property with improvements located in a municipality.

Under this bill, the total amount of the first dollar credit is distributed to counties and the counties distribute the amounts they receive to the municipalities located in the counties. A municipality, however, may receive its share of the first dollar credit directly from the state if the total amount of that credit plus the school levy and lottery and gaming credits that is due to the municipality is at least \$3,000,000 or if the municipality allows the payment of property taxes in three or more installments.

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For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

1           **SECTION 1.** 79.10 (2) (a) of the statutes is amended to read:

2           79.10 (2) (a) On or before December 1 of the year preceding the distribution  
3 under sub. (7m) (a), the department of revenue shall notify the clerk of each town,  
4 village and city of the estimated fair market value, as determined under sub. (11) (c),  
5 to be used to calculate the lottery and gaming credit under sub. (5) and of the amount  
6 to be distributed to it under sub. (7m) (a) ~~on the following 4th Monday in July or (cm).~~  
7 The anticipated receipt of such distribution shall not be taken into consideration in  
8 determining the tax rate of the municipality but shall be applied as tax credits.

9           **SECTION 2.** 79.10 (2) (b) of the statutes is amended to read:

10          79.10 (2) (b) On or before December 1 of the year preceding the distribution  
11 under sub. (7m) (c), the department of revenue shall notify the clerk of each town,  
12 village, and city of the estimated fair market value, as determined under sub. (11)  
13 (d), used to calculate the first dollar credit under sub. (5m) and of the amount to be  
14 distributed to it under sub. (7m) (c) ~~on the following 4th Monday in July or (cm).~~ The  
15 anticipated receipt of such distribution shall not be taken into consideration in  
16 determining the tax rate of the municipality but shall be applied as tax credits.

17          **SECTION 3.** 79.10 (7m) (c) 1. of the statutes is amended to read:

18          79.10 (7m) (c) 1. ~~The Except as provided in par. (cm), the~~ amount determined  
19 under sub. (5m) shall be distributed from the appropriation under s. 20.835 (3) (b)  
20 by the department of administration to the counties on the 4th Monday in July.

21          **SECTION 4.** 79.10 (7m) (c) 2. of the statutes is amended to read:

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1           79.10 (7m) (c) 2. ~~The town, village, or city~~ Except as provided in par. (cm), the  
2 county treasurer shall settle for the amounts distributed on the 4th Monday in July  
3 under this paragraph with ~~the appropriate~~ each municipality and taxing jurisdiction  
4 in the county treasurer not later than August 15 ~~20~~. Failure to settle timely under  
5 this subdivision subjects ~~the town, village, or city~~ county treasurer to the penalties  
6 under s. 74.31. ~~On or before August 20, the county treasurer shall settle with each~~  
7 ~~taxing jurisdiction, including towns, villages, and cities except 1st class cities, in the~~  
8 ~~county.~~

9           **SECTION 5.** 79.10 (7m) (cm) 1. a. of the statutes is amended to read:

10           79.10 (7m) (cm) 1. a. If, in any year, the total of the amounts determined under  
11 subs. (4) ~~and~~, (5), ~~and~~ (5m) for any municipality is \$3,000,000 or more, the  
12 municipality, with the approval of the majority of the members of the municipality's  
13 governing body, may notify the department of administration to distribute the  
14 amounts directly to the municipality and the department of administration shall  
15 distribute the amounts at the time and in the manner provided under pars. (a) 1. ~~and~~,  
16 (b) 1., ~~and~~ (c) 1.

17           **SECTION 6.** 79.10 (7m) (cm) 1. b. of the statutes is amended to read:

18           79.10 (7m) (cm) 1. b. The treasurer of the municipality shall settle for the  
19 amounts distributed under ~~par.~~ pars. (a) 1. ~~and~~ (c) 1. on the 4th Monday in July with  
20 the appropriate county treasurer not later than August 15. Failure to settle timely  
21 under this subdivision subjects the treasurer of the municipality to the penalties  
22 under s. 74.31. On or before August 20, the county treasurer shall settle with each  
23 taxing jurisdiction, including towns, villages, and cities, except 1st class cities, in the  
24 county.

25           **SECTION 7.** 79.10 (7m) (cm) 2. a. of the statutes is amended to read:

